

Program 022

**SPI - Pupil Transportation****Recommendation Summary**

Dollars in Thousands

	FY 05 FTEs	General Fund State	Other Funds	Total Funds
<b>2003-05 Expenditure Authority</b>		435,353		435,353
<b>Supplemental Changes</b>				
Enrollment/Workload Adjustment, SPI		1,214		1,214
Pension Adjustments, Nonrate		(24)		(24)
School Bus Depreciation		13,454		13,454
<b>Subtotal - Supplemental Changes</b>		14,644		14,644
<b>Total Proposed Budget</b>		449,997		449,997
Difference		14,644		14,644
Percent Change		3.4%		3.4%

**Supplemental Changes****Enrollment/Workload Adjustment, SPI**

State funding for student transportation is heavily influenced by projections of the number of students who enroll in school. For the 2004-05 school year, projected enrollment for all grades is lower than expected (from 1,017,098 to 1,016,918 students on a headcount basis). The K-5 safe walking miles formula provides funding to districts based on the number of students in grades K-5 living within one mile of school. The enrollment in K-5 is higher than expected (from 444,281 to 444,932 full-time equivalent students) and a greater percentage of these K-5 students are expected to live within one mile, increasing the amount needed for the K-5 safe walking formula. These changes affect the Student Transportation activity.

**Pension Adjustments, Nonrate**

Effective July 1, 2004, the Department of Retirement Systems lowered the administrative rate from 0.22 percent to 0.19 percent. The 2004-05 school year pension rates for state-funded staff are adjusted to reflect the lower administrative rate. This item affects multiple activities.

**School Bus Depreciation**

School districts receive payments for school bus depreciation based on the state-supported purchase price determined by an annual state bid. School bus depreciation payments are higher than expected due, in part, to lower interest rates in school district transportation vehicle funds and higher bus prices because of increasing steel costs and implementation of federal diesel emission reduction requirements. The higher bus depreciation payments affect the Student Transportation activity.